IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF PENNSYLVANIA

WRS, INC. d/b/a WRS MOTION PICTURE LABORATORIES, a corporation,	)	CIVIL DIVISION
	)	No.: 00-CV-2041
Plaintiff,	)	
	)	JUDGE WILLIAM L. STANDISH
v.	)	
PLAZA ENTERTAINMENT, INC., a corporation, ERIC PARKINSON, an individual, CHARLES VON BERNUTH, JOHN HERKLOTZ, an individual,	)	
Defendants.	)	

JOINT STATUS REPORT

AND NOW, comes Plaintiff, WRS, INC. (hereinafter "WRS") and Defendant, JOHN HERKLOTZ (hereinafter "HERKLOTZ"), by and through their respective attorneys, Thomas E. Reilly, P.C. and John P. Sieminski, Esquire, and Burns, White & Hickton, LLC, and file this Joint Status Report, of which the following is a statement:

1. On March 9, 2006 the Honorable Arthur J. Schwab conducted a case management conference with the parties and counsel. At the conference, the issue of Plaintiff's damages was discussed as was the concept of joint retention of an independent forensic accountant. After the conference, the parties entered into a Consent Order, pursuant to which the accounting firm of Schneider Downs was jointly retained. Schneider Downs was commissioned to examine the WRS records and issue an advisory opinion.

2. After Schneider Downs was retained, an initial meeting was conducted with the parties and Thomas Claassen, CPA and John Briggs, CPA of Schneider Downs. Defendant, HERKLOTZ, traveled from California for the meeting and forwarded his portion of the retainer requested by Schneider Downs thereafter. WRS also forwarded its portion of the retainer. Subsequent to the initial meeting a second meeting was held and Defendant, HERKLOTZ again traveled from California to attend. A representative of WRS was also present at the meetings.

3. Throughout the process thus far, WRS has produced documents, and it is the parties' understanding that the review of those documents is ongoing and that additional documents may be requested for review by Schneider Downs. At this point, the parties are waiting to hear from Schneider Downs as to the status of its investigation and whether there will be any further documents requested from WRS or sought from third parties. Therefore, the process is moving forward even though the parties against whom default judgments were entered are not participating.

4. Finally, with respect to the procedural posture of this matter, cross motions for summary judgment have been filed. Although the Court directed that responses to the Motions be filed, Defendant, HERKLOTZ did not file a response to WRS's Motion for Summary Judgment as Defendant, HERKLOTZ considered the Motion for Summary Judgment that was filed on HERKLOTZ's behalf to constitute a "response" to WRS's motion.

5. WRS's counsel has no objection to this Joint Status Report and has consented to sending it to the Court and the use of his electronic signature for filing same.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the within **Joint Status Report** was served on counsel listed below by electronic mail on this 29th day of June:

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